Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

Ec752F
TVS cop. 2

Vegetable Situation

Economics, Statistics, and Cooperatives Service

U.S. Department of Agriculture

TVS-212

May 1979

Approved by the World Food and Agricultural Outlook and Situation Board

THE VEGETABLE SITUATION

CONTENTS

	Page
Summary	3
Recent Developments and Outlook	4
Fresh Vegetables	4
Processed Vegetables	7
Potatoes	12
Sweetpotatoes	14
Mushrooms	15
Dry Edible Beans	15
Dry Edible Peas	16
List of Tables	29
Special Article: Cost of Producing Winter Fresh Vegetables in Florida and West Mexico, by G. A. Zepp and R. L. Simmons	25

• • •

Approved by
The World Food and Agricultural Outlook
and Situation Board
and Summary released
April 30, 1979

Principal contributors:
Charles W. Porter
Joseph C. Podany
(202) 447-8666
Commodity Economics Division
Economics, Statistics, and Cooperatives Service

U.S. Department of Agriculture
Washington, D.C. 20250

• • •

The *Vegetable Situation* is published in February, May, August, and November.

SUMMARY

Fresh Vegetable Prices Begin a Decline

Cold weather and labor disputes pushed the index of farm prices received for *fresh market vegetables* to record levels the first quarter of this year. Reduced and uneven supplies of lettuce from California and small supplies of Texas cabbage caused the price index to jump to 273 (1967=100), a third above the relatively low year-earlier level. During March, fresh vegetable supplies picked up, and prices declined. For the second quarter, both farm and retail prices are expected to move downward averaging moderately below the second quarter of 1978.

The prospective acreage of 14 fresh market vegetables for spring harvest is 6 percent more than last year. If yields equal the historical average, output would be up a similar amount. There are larger acreages of all items except cabbage, sweet corn, and tomatoes. A sharply larger lettuce crop in Arizona this season accounts for the increased spring plantings, but California still has two-thirds of this season's total acreage.

The 1979 contracted acreage of *processing vegetables* is planned to be 3 percent more than a year earlier. The changes among individual crops range from a 9-percent increase in peas and tomatoes to cuts of 3 percent in beets and lima beans. In addition, a 6 percent larger kraut cabbage tonnage is planned. If plans materialize, these increases suggest a slightly larger supply of processed vegetables this fall.

Disappearance of canned vegetables has been generally heavy, though not greatly different from a year earlier. Remaining stocks of 10 canned items may be about 2 percent less than for 1977/78. Disappearance from a larger supply of frozen vegetables has been heavy. With strong demand, prices of nearly all canned and frozen vegetables are higher than a year earlier. The outlook based on planting intentions suggests continued firm to stronger prices this coming fall and winter.

With record-large April 1 stocks of old crop *potatoes*, plus 22 million cwt. of spring harvest, these heavy supplies will keep the rise in grower prices lower than the usual pattern. April 1 stocks

of the 1978 fall crop were 95.3 million cwt., 7 percent more than a year earlier. Because of record-large supplies and low grower prices, a larger than usual quantity of potatoes has been moving outside normal market channels in 1978/79. Shrinkage, loss, and livestock feeding has been heavy, and the USDA diversion program has absorbed nearly 12 million cwt. of this crop.

In view of the large 1978 *dry bean* crop and relatively low prices, dry bean growers in 1979 expect to plant a tenth less acreage this coming season.

RECENT DEVELOPMENTS AND OUTLOOK

FRESH VEGETABLES

The prospective acreage of 14 spring vegetables for fresh market is 6 percent more than a year ago. With yields equal to the 1976-78 average, output this spring would also be about 6 percent more than in the spring of 1978. Among the major crops, there are larger acreages of snap beans, broccoli, carrots, cauliflower, celery, cucumbers, eggplant, lettuce, green peppers, and spinach. There are acreage decreases for cabbage, sweet corn, and tomatoes. The spring onion crop in Texas is 16 percent more than in 1978, up sharply from earlier expectations. Spring melon acreage is 2 percent less than in 1978.

Rain and cold weather during the winter months slowed growth and maturity of several vegetable crops including lettuce, celery, carrots, and broccoli, and caused delays in harvesting.

A sizable portion of the California winter lettuce acreage was left unharvested as a result of a labor dispute which began on January 19. This raised the shipping point prices to $8-$12 per carton of 24 heads, roughly twice the price of a year earlier.

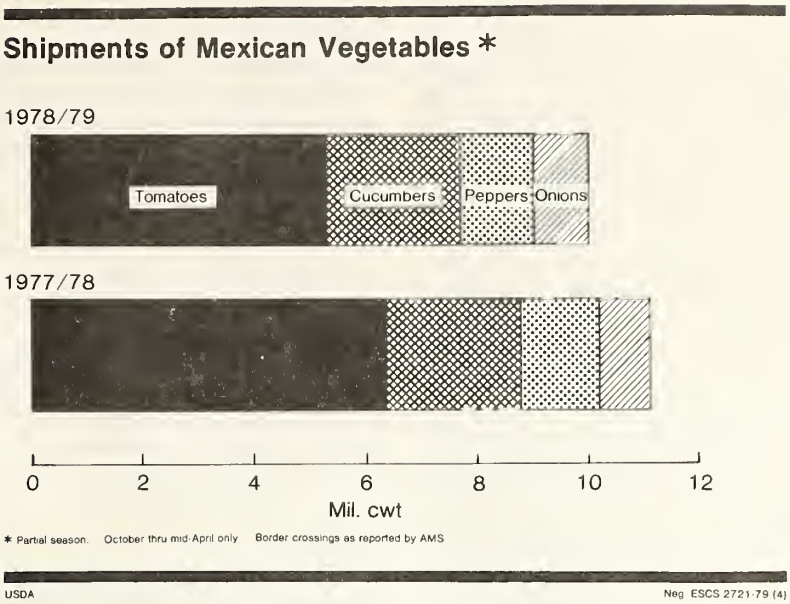
When the strike activity lost some of its effectiveness during the first week of March, shipping point prices dipped first to $5.00 a carton, then to $4.00, $3.50, and in early April, $2.50. The labor dispute also slowed and temporarily interrupted the plantings of the California melon crop.

Table 1—Vegetables and melons for fresh market: Reported commercial acreage and projected production of principal crops, selected seasons, 1978 and indicated 1979

Seasonal group and crop	Acreage			Production		
	1978 major States	1979		1978 major States	1979	
		Indicated major States	Percent of 1978		Indicated major States	Percent of 1978[5]
	1,000 acres		*Percent*	*1,000 cwt.*		*Percent*
Winter	178.6	186.0	104	33.3	34.3	103
Spring:[2]						
Snap Beans	21.2	23.2	109	.7	.8	114
Broccoli[3]	15.9	17.5	110	1.4	1.5	110
Cabbage[3]	17.2	16.9	98	4.0	3.7	94
Carrots[3]	15.9	19.0	119	3.4	4.2	126
Cauliflower[3]	5.2	6.1	117	.4	.5	130
Celery[3]	9.5	10.8	113	4.2	4.9	118
Sweet corn	37.5	35.8	95	4.1	3.8	94
Cucumbers	19.2	19.4	101	2.2	2.3	102
Eggplant	.8	1.3	163	.2	.3	177
Escarole-Endive	2.1	2.1	100	.3	.3	93
Lettuce	54.4	61.7	113	15.7	16.6	106
Green peppers[3]	10.8	12.0	111	1.1	1.3	124
Spinach	1.3	1.4	101	.2	.2	99
Tomatoes	34.1	33.3	98	5.9	5.6	94
Total 14 vegetables	245.1	260.4	106	43.7	46.1	106
Honeydew melons	4.0	5.8	145	.6	.6	106
Cantaloups	31.8	30.1	95	4.6	4.0	88
Watermelons	90.6	88.2	97	11.8	11.9	101
Total melons[4]	126.4	124.1	98	17.0	16.5	98

[1] Based on average yield per acre. [2] April, May and June. [3] Includes fresh market and processing. [4] May not add to total due to rounding. [5] Percentage figures listed are correct-Production data in this table have been rounded.

Vegetables for Fresh Market, ESCS, USDA.



In Texas, freezing January weather greatly reduced winter cabbage supplies and delayed development of the spring onion crop by at least 2 weeks.

The impact of labor disputes and weather on farm prices the first quarter of the year was rather severe—greater than the Florida freeze of 1977. The first-quartr 1979 index of farm prices received for commercial vegetables for fresh market was 273 (1967=100) compared with 206 in 1978 and 251 in 1977, reflecting cold weather and labor disputes. For the second quarter, farm prices are likely to average 3-6 percent less than the second quarter 1978.

The BLS (Bureau of Labor Statistics) index of retail prices for fresh vegetables in the first quarter of 1979 stood at 254 (1967=100). For the spring quarter, this index of retail prices paid by urban consumers is expected to be in the 235-245 range.

Prospects for Leading Items

Onions

The Texas spring onion crop, currently forecast at 3.9 million cwt., is 16 percent above the 1978 spring crop and 12 percent above the March forecast. Cold weather in the early part of the growing season delayed harvest by about 2 weeks. In the Lower Rio Grande Valley, movement remained light until mid-April. Seed stems presently do not appear to be significant. However, there have been many reports of bulb splitting and doubles. Present indications are that yields from early fields will be light as bulb sizing has lagged behind schedule and producers expect a shortage of jumbos. Improved yields are anticipated from later fields. In the Winter Garden area, freeze damage was so severe that many fields had to be replanted. Since then, growing conditions have been good. The bulk of the acreage from this area is expected to be harvested from mid-May through June.

Despite heavy storage supplies, grower prices in January and February were more than double those of a year earlier. With a delay in the Texas crop and with only a slightly larger California crop, it appears that grower prices will continue at a higher level than last year well into the summer, when major storage States begin to harvest in volume.

Three of the four nonstorage States—New Jersey, New Mexico, and Texas—are showing decreases in acreage while one State—Washington—is showing an increase, with an 8-percent decrease in acreage overall from a year earlier.

In the storage States, which account for the major portion of the summer crop, acreage will be 3 percent larger than last year. However, California will have about an 8-percent increase. This California crop is considered separately, as it is used primarily for dehydration.

Tomatoes

Total supplies of tomatoes have been running slightly below a year earlier. Imports to date have been considerably less, due to adverse growing weather in northwest Mexico. Florida shipments have not been offsetting. After the middle of March and into April, shipping point prices have been nearly double those of a year ago.

Spring tomato acreage in the United States at 33,300 acres is 2 percent less than last year. Based on average yields for the past 3 years, a 6 percent

Table 2—Major sources of U.S. winter tomato supplies[1]

Season Nov. 1 thru mid-April	Florida	Mexico[2]	Total Florida and Mexico	Mexico as percent of total
	Thous. cwt.			*Percent*
1976/77	3,369	6,422	9,791	66
1977/78	4,107	6,390	10,497	60
1978/79	5,336	5,251	10,587	50

[1] Fruit and Vegetable Division-AMS-USDA. [2] Border crossings include shipments to Canada.

smaller crop would result. Florida and South Carolina account for two-thirds of the spring area for harvest. The peak of Florida harvest is expected to occur in May when the Palmetto-Ruskin area reaches heavy production. The 6,000 acres for spring harvest in South Carolina is the same as last year, with peak supplies expected from there in June. Alabama, Arkansas, California, and Texas also ship late in the spring period. However, planting of California's spring tomato crop was delayed by wet weather during February, and by striking farmworkers in San Diego County, so harvest there will be somewhat later than usual.

Even though prospective spring supplies are expected to be moderately smaller than a year earlier, prices for the spring quarter are not likely to vary much from the 21-cent-a-pound level of a year earlier.

Cabbage

Unloads of cabbage this past winter were 7 percent less than a year earlier with Florida shipping more and Texas shipping sharply less. The Texas cabbage supplies were reduced by the January freeze. As a result of the Texas freeze, f.o.b. prices from mid-February to mid-March were in the $8.00-$12.00 range per 1-3/4 bushel carton at north Florida points and in the $9.00-$11.55 range per 50-pound sack in the Lower Rio Grande Valley of Texas.

The 1979 spring acreage of cabbage at 16,900 acres is 2 percent less than a year earlier. Based on average yields, production of 3.7 million cwt. would be 6 percent less than production during the spring quarter of 1978. Prospects are for favorable grower prices, at least through the spring months. Nonetheless, spring prices are likely to be lower than the high figures of February and March 1979. For the first half of March, U.S. grower cabbage prices averaged a record high of 21.7 cents per pound.

Lettuce

Rain and cool weather during the winter months slowed growth and maturity of the California spring lettuce crop. Volume shipments from the south coast, the central coast, and the San Joaquin Valley areas, which began in the middle of April, are expected to continue into June. The important Salinas district will have volume supplies during May. Harvest of the Arizona spring lettuce crop began in late March and is expected to continue into late May or early June, depending on weather and price conditions.

Total unloads of lettuce, mostly originating in the Imperial Valley of California, from the first of January to mid-March were 8 percent less than a year earlier, reflecting cold weather and labor disputes. Winter acreage for harvest was 7 percent larger than a year earlier. Weekly average f.o.b. prices ranged from $5.20 to $12.00 per crate of 24 heads at California and Arizona shipping points from the first of January until the middle of March.

As supply sources became more scattered around the State and picketing activity became less conspicuous, f.o.b. prices of lettuce dropped to as low as $2.50 per crate. Prices may move to higher levels when heavy shipments move from the more concentrated production area around Salinas. The industry expects that labor picketing will resume at that time.

The 1979 spring acreage for harvest, at 61,700 acres, is 13 percent above the area harvested during the spring of 1978. Based on average yields, prospective production of 16.6 million cwt. is 6 percent above a year earlier. Most of this increase is in Arizona acreage; this year California has about two-thirds of the spring planted acreage instead of a more usual 80 percent.

Carrots

Carrot shipments to fresh market outlets from major districts of California, Texas, and Florida have been running about 4 percent less than in 1978. Winter acreage was about 2 percent more. In California, wet weather again delayed carrot planting and caused some delays in harvesting.

California weekly shipping point prices during the winter quarter ranged from $4.65 to $7.90 per carton of 48 1-pound film bags, compared with the $4.00-$5.70 range of a year earlier.

The 1979 spring carrot acreage will be 19,000 acres, 19 percent above that harvested in the spring of 1978. Based on average yields, a production of 4.2 million cwt. would be 26 percent more than the spring crop of 1978. Acreage is expected to increase 21 percent over a year earlier in Texas, and in California desert areas, 27 percent. Thus, prices are expected to continue at current or lower levels well into the summer.

Celery

Unloads of celery in the principal U.S. markets during the winter quarter of 1979 were about 8 percent below those of a year earlier. Weekly f.o.b. prices in California shipping areas ranged from $3.70 to $8.10 for 2-3 dozen bunches, compared with $3.45 to $7.75 a year earlier. F.o.b. prices in Florida shipping areas ranged from $4.75 to $7.50 per 2-6 dozen bunches, compared with $4.11 to $7.73 a year earlier.

Prospective acreage for harvest during the spring quarter is estimated at 10,750 acres, 13 percent more than a year earlier. Based on average yields, a production of 4.9 million cwt. would be 18 percent more than a year earlier.

Harvesting is active in the Everglades and central Florida, with quality ranging from good to very good. In California, the majority of the celery shipments during the spring quarter will be from the south coast areas. The Oxnard area will supply most of the volume with some production coming from Orange County. Harvest of celery in California's central coast area will start in June.

Sweet Corn

Sweet corn acreage for harvest during the spring quarter of 1979 is 35,800 acres, 5 percent below a year earlier. With average yields, production at 3.8 million cwt. is 6 percent below that for the same period in 1978. Over 80 percent of the acreage is in Florida, with production concentrated around the Pompano-Dade County areas. Yields are improving and quality is good. The spring crops in the Everglades and Zellwood are making excellent progress. The California crop is progressing nicely. Most supplies will be available from the desert. A smaller amount will come later from the San Joaquin Valley and south coast areas.

Asparagus

Asparagus acreage for harvest in 1979 is estimated at 71,100 acres, about the same as last year. Cuts in acreage occurred in California (1,600 acres), Illinois (1,200 acres), and New Jersey (200 acres). However, Michigan and Washington both increased their acreage, so overall acreage is nearly the same.

Cantaloups and Honeydews

The 1979 expected spring quarter cantaloup acreage for harvest, at 30,100 acres, is 5 percent less than a year earlier. Texas acreage is expected to decrease by 1,500 acres or 11 percent. Some replanting was necessary in the Lower Rio Grande Valley because of cool soil temperatures during January and February which prevented seed germination. Harvest there is expected to start in late May. Cantaloup planting is running late again this year in Arizona and California and is expected to be finished about mid-April. Harvest in western Arizona is expected to begin in May and continue through late June or July. Harvest in central Arizona should run from June through July. In California, rainy weather in the desert area caused some planting problems in January; the farmworker strike also caused delays. Harvest should begin in mid- to late May and peak in the last half of June.

The 1979 spring quarter acreage of honeydew melons in Texas is estimated at 5,800 acres, 45 percent more than in 1978. Below average temperatures have slowed growth and development. Initial harvest is expected to begin in late May.

Watermelons

The U.S. spring quarter watermelon acreage for harvest is estimated at 88,200 acres, 3 percent less than during the spring of 1978. Texas and Florida are indicating less acreage, while Alabama, Arizona, California, and Georgia are indicating more.

The Florida crop is later than usual but will be earlier than last year, with light harvest in mid-April. California harvest is expected to peak in June. If yields hold at historical averages, U.S. spring watermelon tonnage could be 11.9 million cwt., 1 percent more than a year ago.

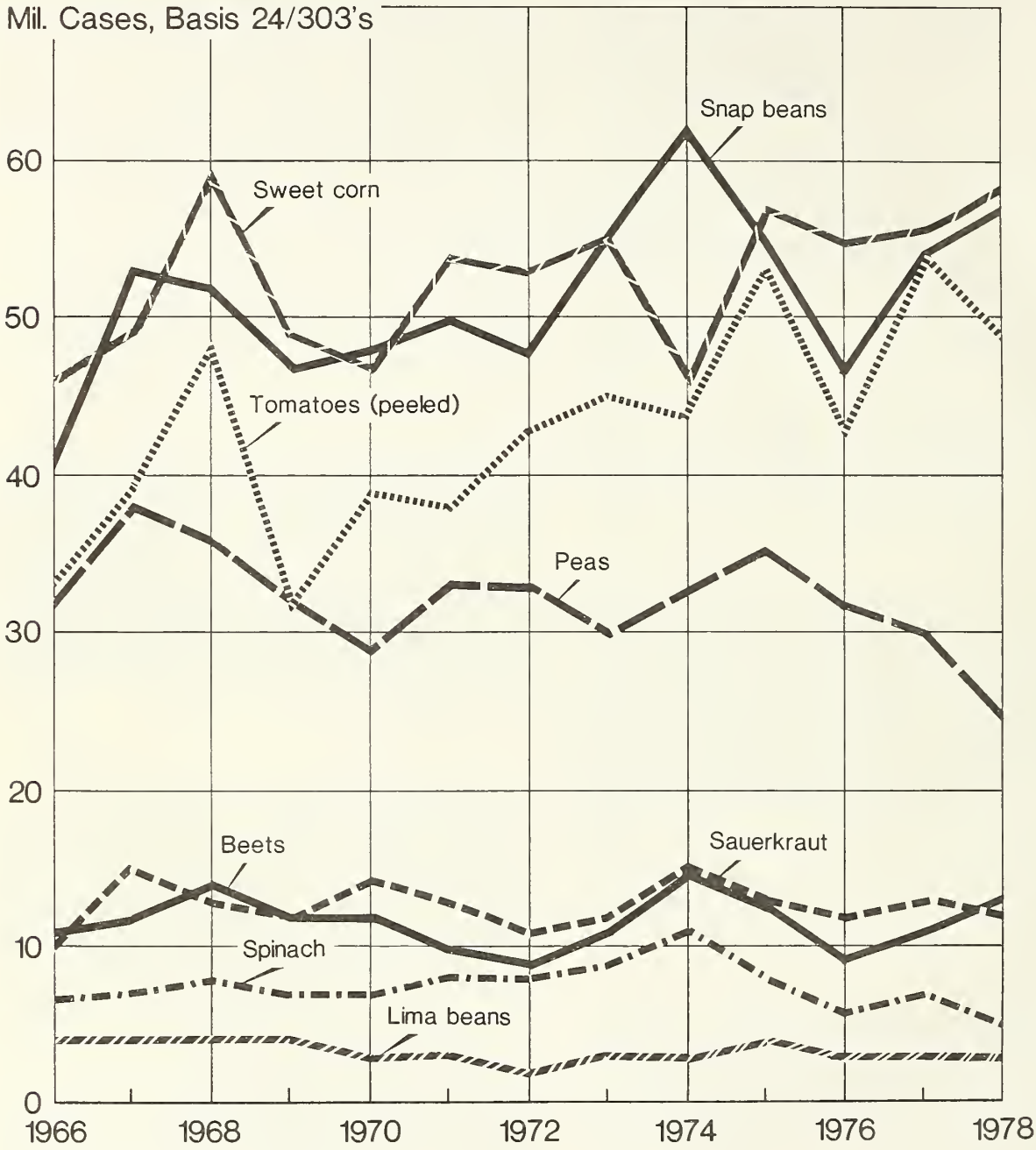
PROCESSED VEGETABLES

Total processed vegetable supplies at the beginning of the 1978/79 marketing season were slightly larger than a year earlier. This includes all frozen vegetables and 10 canned items, and excludes important packs of tomato paste, catsup, and sauces. Disappearance of canned vegetables has been generally heavy and not greatly different from a year earlier. It appears that remaining stocks the end of the season will be about 2 percent less than 1977/78.

Stocks of frozen vegetables on April 1 were 1.2 billion pounds, 1 percent larger than on the same date a year earlier. Disappearance from a larger supply has been heavy. The 1978 pack of frozen vegetables—2.7 billion pounds—was record large. (These data exclude frozen potato products which are considered in the *Potato* section.) There were record large packs made of frozen cauliflower, onions, and on-cob corn. The three northwestern States and California account for two-thirds of all vegetable freezing activity.

Canned vegetable prices advanced late last summer, then held generally steady the early part

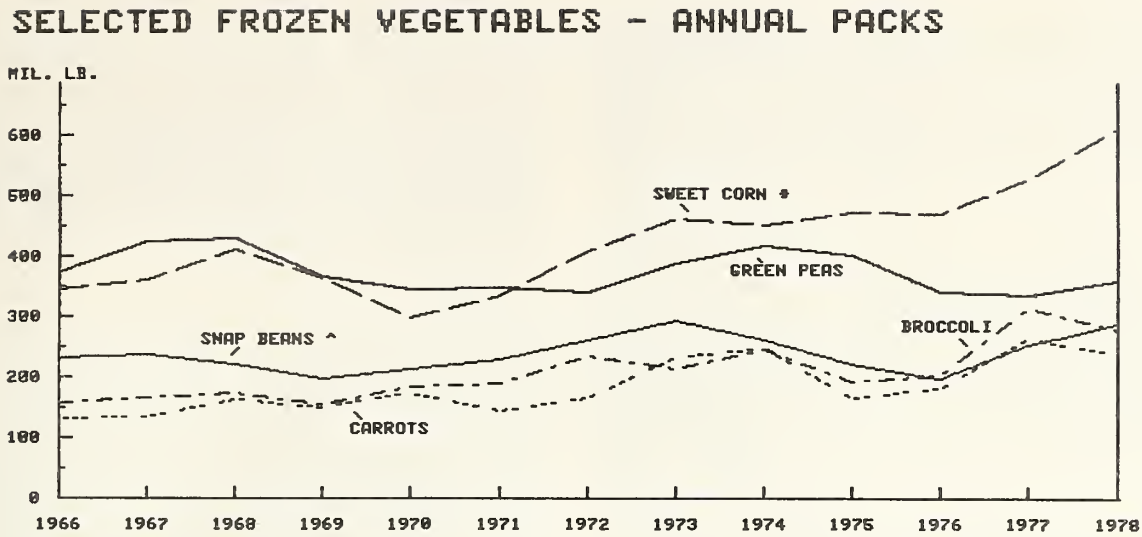
Selected Canned Vegetable Packs



Source: National Food Processors Association.

USDA

Neg. ESCS 2441-79 (4)



* CUT CORN AND CORN-ON-COB. ^ INCLUDES FRENCH, ITALIAN GREEN BEANS AND WAX BEANS.
SOURCE: AMERICAN FROZEN FOOD INSTITUTE.

USDA NEG. ESCS 2443-79 (4)

Table 3—Vegetables for commercial processing: Prospective plantings

Crop	Planted acreage				1979 as percentage change from contract 1978
	1977 Total	1978		Prospective[1] 1979	
		Total	Contract		
	1,000 acres				*Percent*
Beans, green lima:					
Freezing	39.4	43.0	42.6	42.2	99
Canning	23.5	28.6	28.6	27.2	95
Beans, snap:					
Freezing	60.7	73.7	71.0	69.4	98
Canning	219.5	230.8	208.6	212.9	102
Beets for canning	16.2	18.6	17.8	17.2	97
Corn, sweet:					
Freezing	142.0	139.7	139.4	133.0	95
Canning	345.3	328.0	327.8	322.2	98
Cucumbers for pickles (spring, summer and fall)	129.1	139.8	123.0	126.7	103
Peas, green:					
Freezing	149.5	143.5	143.5	158.3	110
Canning	234.6	245.1	244.5	264.5	108
Spinach (winter):					
Freezing	7.4	7.8	7.8	9.7	124
Canning	6.4	6.8	6.6	5.8	89
Tomatoes	352.3	304.1	295.0	321.4	109
Total 8 crops[2]	1,726.0	1,709.5	1,656.2	1,710.4	103

[1] Under contract. [2] May not add due to rounding.

Vegetables, ESCS, USDA.

of the winter. Some slight further rise has occurred in recent weeks. The ESCS index of 10 canned vegetables stood at 190 in April, up from 166 the same month in 1978. This is up 14 percent, but April 1978 was a temporary low point not representative of that year. The calendar year average for 1977 was 170 and calendar year 1978 was 175.

Even with more generous supplies of most frozen vegetables, wholesale prices for both institutional and consumer-size packs are the same or more than a year earlier.

Average wholesale prices for processed vegetables are not expected to show much further rise the balance of this marketing season. But canners and freezers expect that 1979 cost increases can be recovered, providing the total pack is no more than 4 to 6 percent larger than 1978. Firm to higher prices can be expected under these circumstances.

1979 Acreage Plans Slightly Higher

The 1979 contracted acreage for processing vegetables is planned to be 3 percent more than a year earlier. The changes range from a 9-percent increase in tomato and pea acreage to cuts of 3 percent in beets and lima beans. In addition, a 6-percent larger kraut tonnage is expected to be contracted.

Snap Beans

Stocks of canned snap beans on March 1 were very close to the two previous seasons. This means another small carryover the first of July. Canners and growers expect to contract for 2 percent larger acreage this season. Wholesale prices for most styles and can sizes are moderately higher than a year earlier. Midwest fancy 24/303's in April were quoted at $6.20 per can vs. $5.85 a year earlier. Western Blue Lakes showed a comparable difference. Institutional 6/10's are about 20 percent higher than last year in the Midwest, but on the West Coast the difference in price is more like that of the consumer size mentioned earlier.

Frozen snap bean stocks on April 1 were sharply larger than either of the two previous seasons, though not excessive by historical standards. Wholesale prices, steady at 41 cents per pound, are a penny higher than last year. Freezers and growers expect to contract for 2 percent smaller acreage in 1979. The 1978 pack of green and wax beans was the second largest on record, and 14 percent more than 1977.

Peas

Only once before in recent history have March canners' stocks been as low as 6.6 million cases. With the short 1978 pack restricting supply, movement has been sharply reduced. The June carryover will be very small, and canners have responded by contracting for 8 percent more acreage this coming season. With this increase plus average yields, the 1979/80 supply would be very close to usage in most recent years. Except for the current season, recent historical usage has been in the 31.3- to 33.5-million-case (24/303's) range. Wholesale prices for both consumer and institutional packs of sweets are substantially above those of a year earlier.

Stocks of frozen peas on April 1 at 111 million pounds were 12 percent less than the quantity on hand a year earlier. The 1978 pack was 7 percent larger and movement has been good, no doubt assisted by the reduced supply of the canned product. Even so, wholesale list prices of $5.50 per carton of 24/10 oz. and food service pack at 35 cents per pound, bulk, have not changed since the fall of 1977. This item, then, must be considered one of the most stable price items of all foods. Freezers plan a tenth more acreage for 1979. With average yields, this would insure continued stable prices for 1979.

Sweet Corn

Canners' stocks of sweet corn at 27.2 million cases on March 1, though 5 percent more than a year earlier, are not excessive. There is some trading off list prices for consumer sizes but these lists are roughly a dollar per case higher than a year earlier. Institutional packs are even higher relative to a year earlier. For 1979, canners plan to cut acreage by 2 percent to relieve some of the current supply pressure. With average yields and a projected carryover of 8.5-9.0 million cases, the 1979/80 supply would be 1-2 percent smaller than the 65.5 million cases for the current season.

Total stocks of frozen corn on April 1 were substantially larger than last year. All the increase is on-cob, while cut corn stocks were 3 percent less than last year. Total frozen corn disappearance to April 1 was about 15 percent heavier than in the comparable period a year earlier. With liberal supplies on hand, prices for cut corn have weakened the past 2 months, with institutional bulk at 31 cents per pound, compared with 32 cents a year earlier. Consumer-size pack at $4.75 per case is 25-50 cents less than the April 1978 figure.

On-cob corn has been a good market performer, with disappearance to date up 13 percent. Therefore, larger stocks on hand do not seem to pose a serious marketing problem. The freezing industry plans to cut 1979 acreage 5 percent below 1978.

Lima Beans

Stocks of frozen limas were a tenth larger than a year earlier on April 1. Freezers expect to

contract 1 percent less acreage than a year earlier. Prices have advanced roughly a penny per pound in the last year.

With 1.6 million cases of 24/303's on hand March 1, lima bean canners plan to contract for 5 percent less acreage this year. The current figure is 27,190 acres. As with other canned vegetables, institutional pack price changes were relatively greater than for consumer sizes.

Tomatoes

Current stocks of tomatoes and tomato products are mixed relative to a year earlier. There were liberal supplies of peeled tomatoes in canners' hands the first of this year, 3 percent more than the previous record of January 1978. On the other hand, stocks of tomato juice were essentially the same as a year earlier, and supplies of concentrates probably are now lighter since most prices have firmed in recent weeks.

In California, growers have contracted for 257,000 acres, 8 percent more than last year. The increased acreage planned there and elsewhere in the United States would mean 9 percent more land devoted to the crop—321,370 acres for the U.S. total. Average yields from this acreage in 1979 would mean heavy supplies of at least some, if not all, tomato products in 1979/80.

As of late April, the bargaining between the cannery workers' union and processors had slowed down. Very few "noneconomic" issues have been settled, and economic questions have not been considered yet. There has been agreement for mediation, but any recommendations from this process are not binding on either party. The present contract expires July 1, just as the new season gets in full swing. Three years earlier, upward of 500,000 tons of tomatoes went unharvested, and the handling of a large tonnage of overripes resulting from the delayed harvest sequence caused additional loss.

Cucumbers for Pickles

The pickle industry plans to increase its contracting activity again this year, but by 3 percent this time. Among the major States, Michigan and Wisconsin expect to increase acreage, 2 and 8 percent, respectively. North Carolina expects to decrease acreage 6 percent from last year.

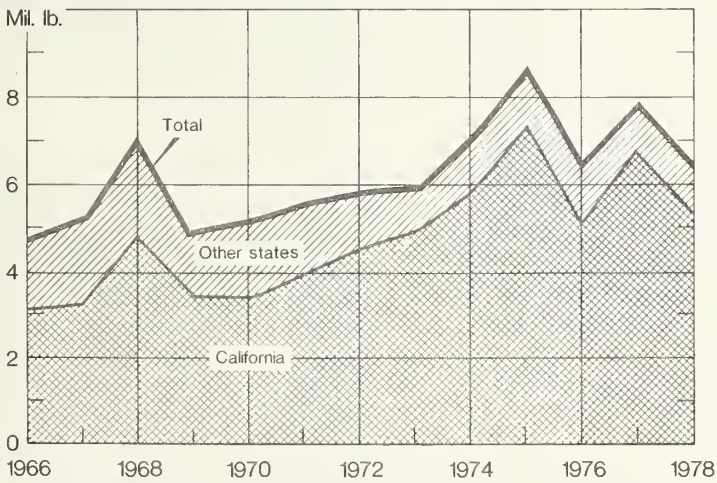
Sauerkraut

April 1 sauerkraut stocks were the smallest since 1975. With this in mind, packers expect to contract for 214,800 tons, 6 percent more than last year. Wholesale prices for all types of pack—East and Midwest—are 20-40 percent higher than last year. The 1979 tonnage is expected to adjust for the lighter supply now on hand.

Beets

Canned beet stocks on January 1 were 9 percent larger than a year earlier at 7.9 million cases. Wholesale prices were moderately higher than a year earlier, mostly in the 5-6 percent range. Canners and growers expect to plant 3 percent less acreage this season, even though current stocks are not considered burdensome by historical standards.

Processed Tomato Production



Source: Economics, Statistics, and Cooperatives Service.

USDA Neg. ESCS 2440-79 (4)

Carrots

Raw carrot tonnage used for processing in 1978 set another record as 426,000 tons went for canning and freezing purposes last year. A relatively large canned pack was made and another large but not record quantity was frozen.

Broccoli

Another large pack of broccoli was frozen in 1978, though the figure was 12 percent less than the 1977 record. Nonetheless, this was the second largest pack ever made. Carryover stocks of broccoli on March 1 were 61 million pounds, 28 percent less than a year earlier. With the increasing popularity of this vegetable, it appears that another large pack will be required in 1979. Wholesale prices for all packs and styles were slightly higher than a year earlier—March to March comparisons. For example, institutional pack prices, each up a penny per pound, were quoted at 45 cents for spears, 39 cents for cut, and 37 cents for chopped.

Spinach

Carryover stocks of frozen spinach on March 1 were nearly 21 million pounds, the lowest on hand for that date since 1970. Freezers have contracted for 9,700 acres, 24 percent more than a year earlier. This will replenish the light supply on hand. Wholesale prices have been rising all through 1978, as the winter pack a year earlier was small when excessive rains damaged the crop.

Canned spinach stocks on January 1 were only 1.8 million cases, but winter 1979 canning acreage was 11 percent less than a year earlier. Additional spring canning activity takes place, though no data are available to show expected changes.

Asparagus

Stocks of frozen asparagus at 2 million pounds on April 1 were the lowest in history and canners' holdings on March 1 were only 919,000 cases, a quantity sharply larger than either of the two prior seasons, but well below the average of other years.

Total acreage available for fresh market and processing harvest this year is 71,100 acres, only 300 acres less than last year, considering five major States. Washington and Michigan have more, but California, the leading producer, has 6 percent less acreage available this year.

POTATOES

Except for the eastern part of the country, the U.S. potato industry is concluding another season marked by record heavy supplies and the lowest average March prices since 1974/75. The diversion program of the USDA removed 12 million cwt. from normal marketing channels, and that quantity was roughly equal to the difference in the size of the 1977 and 1978 fall crops. The 1978 U.S. average crop year price, which includes all types of sales, may turn out to be very close to the 1977 figure of $3.55 per cwt.

April Stocks Again Record Large

With a record large fall crop of 319 million cwt., it is no surprise that April 1 stocks of 95 million cwt. are 7 percent larger than a year earlier. Contrary to earlier expectations, processor use of raw product in 7 leading States lagged a year earlier by 4 million cwt., or 5 percent. Disappearance of the crop to April 1 was 218 million cwt. (excluding Nevada). This near-record volume includes a total of 27.9 million cwt. dumped, fed to livestock, discarded, or lost due to shrinkage. With the combination of a normal shrinkage and diversion, it is likely that a record quantity of potatoes will move outside normal market channels in 1978/79.

The April stocks pattern shows notable regional differences. In the East, stocks were 9 percent less than a year earlier; Maine alone had 14 percent less than last year. In the Central States, stocks were 12 percent larger; in the West 9 percent.

With processing use of raw potatoes less than a year earlier, open market grower prices for processing stock have been severely depressed, especially in the Pacific Northwest and in the Red River Valley. Most processors had contracted in advance for a large portion of their needs at prices which turned out to be the most favorable deal growers could have made. For example, the Idaho pre-season contract base price was in the $3.25 per cwt. range, cellar-run basis. April 1979 open market quotes were only $1.25-$1.75 f.o.b. growers' storage. These depressed prices are giving processors an opportunity to purchase substantial quantities of inexpensive potatoes for late season freezing.

Reduced Supplies of Frozen Potatoes

Throughout the 1978/79 season, the demand for frozen french fries and other frozen products has been strong enough for stock levels of these finished goods to fall substantially below a year earlier. This is a marked departure from the recent history of frozen potato stocks levels. Usually, stocks of frozen potato products exceed the corresponding month a year earlier, often by as much as 6-8 percent, since there has been a continually expanding demand for these products. But stocks of frozen potatoes on April 1 were only 809 million

pounds, 12 percent *less* than on the same date a year earlier.

By late March, three Idaho french fry firms had signed 1979/80 contracts with the Potato Growers of Idaho (PGI). According to PGI, the settlements will provide a slight improvement in grower returns over the 1978/79 contract, as there are differences in incentive and hauling clauses. About the same acreage is to be handled by these three firms. Negotiations with other processors are underway.

The demand for dehydrated potato products has been sluggish, with prices under the pressure of heavy supplies on hand. This has affected movement of raw product to processors, and has been one factor in keeping grower prices depressed.

More Spring Potatoes

With about 1 percent less acreage for harvest, and with a return to average yields, the 1979 U.S. spring potato crop promises to be more than a fifth larger than last year. Still, the current estimate of 22 million cwt. is 4 percent smaller than 2 years earlier. Most of the difference between this year and last is found in Kern County, California, where early fields are in good condition this year. Some harvest began in late April. Wet fields and cold weather held back crop progress in both Florida and North Carolina. Later planted fields in Hastings (Fla.) have made good uniform growth, but early fields suffered from seed rot, and there are some spotty early stands. Heavy rains made replanting necessary in Alabama, too, because seed in early fields rotted from the heavy rains. Crop progress there has been delayed a month. Unfavorable weather will delay the Arizona harvest, too, setting it back to late May.

U.S. spring potato supplies

	1977	1978	1979
	Million cwts.		
April 1 stocks	81.9	89.2	95.3
Spring production	22.9	18.9	22.0
Total	104.8	107.2	117.3

Less Spring Price Rise This Year

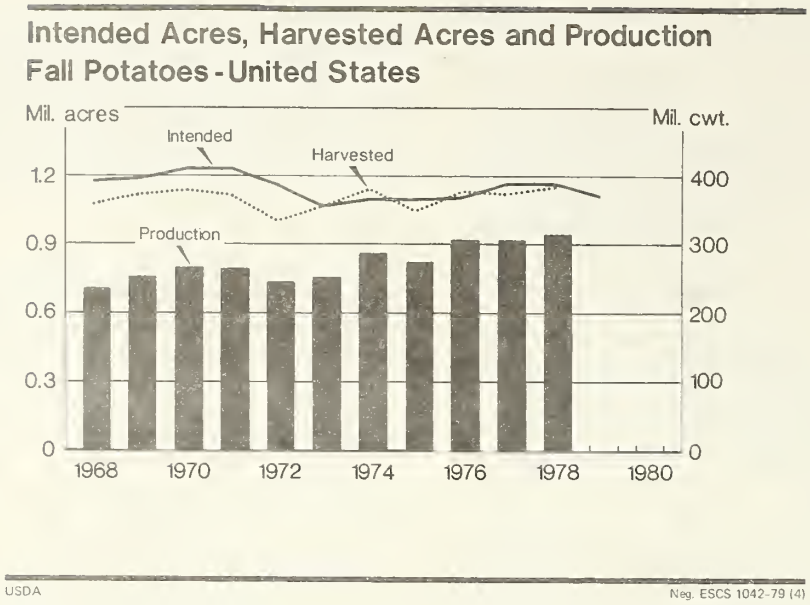
Harvest delays in some spring production areas may cause uneven market movement late in the spring quarter. Although the spring crop is not burdensome by historical standards, the usual price rise in spring may not be as pronounced this year, since heavy supplies of stored western Russets remain to be sold. This year, total spring quarter potato supplies will easily be the largest in history—117.3 million cwt. However, late spring

Table 4—Potatoes, fall: Prospective plantings

Crop and area	Acreage planted			1979 as percengage of 1978
	1977	1978	Prospective 1979[1]	
	1,000 acres			*Percent*
Fall:				
Maine	124.0	120.0	116.0	97
New York-Long Island	23.0	23.5	21.5	91
New York-Upstate	27.5	26.0	27.5	106
Pennsylvania	28.0	26.0	26.0	100
Other States[2]	11.3	10.4	10.4	100
Eastern	213.8	205.9	201.4	98
Michigan	34.0	35.0	35.0	100
Wisconsin	58.0	59.0	57.5	97
Minnesota	76.0	73.0	65.0	89
North Dakota	137.0	130.0	125.0	96
Other States[3]	28.8	29.3	27.5	94
Central	333.8	326.3	310.0	95
Idaho	365.0	370.0	350.0	95
Colorado	37.0	38.0	38.0	100
Washington	110.0	109.0	98.0	90
Oregon	60.3	69.5	66.5	96
California	17.0	17.3	17.0	98
Other States[4]	35.5	37.6	36.6	97
Western	624.8	641.4	606.1	94
Total fall	1,172.4	1,173.6	1,117.5	95

[1] Intended acreage as of April 1. [2] New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut. [3] Ohio, Indiana, South Dakota, and Nebraska. [4] Montana, Wyoming, Utah, and Nevada.

Prospective Plantings, ESCS, USDA.



processing activity in the Pacific Northwest should absorb a large volume. If this does not develop, it would mean that processors expect to be able to obtain, at prices favorable to them, all their requirements from the 1979 fall crop.

1979 Acreage Intentions

Because a major Pacific Northwest sugar beet processor will not be operating this year, potato growers were concerned about the use of retired beet land going into potatoes. If growers stick to their present plans, this will not materialize. In the West, a 6-percent decrease in potato acreage is expected, as Idaho expects to plant 5 percent less this year, and Washington may cut acreage by a tenth. Elsewhere, a cut of 5 percent in the Midwest is in the making, along with a 2-percent reduction in the East. For the United States, 5 percent less acreage of fall potatoes, or 1.12 million acres, is planned. A reduction of this size is needed if grower prices are to improve materially this fall.

Table 5—Pack of frozen potato products*

Year	Million pounds	Year	Million pounds
1960	551	1969	2,048
1961	579	1970	2,048
1962	762	1971	2,565
1963	862	1972	2,594
1964	1,118	1973	2,691
1965	1,219	1974	2,985
1966	1,460	1975	3,001
1967	1,491	1976	3,335
1968	1,736	1977	3,623
		1978	3,849

*American Frozen Food Institute.

SWEET POTATOES

Movement of the largest sweet potato crop since 1969 is winding down seasonally, and will be largely completed in about 6 weeks. Fresh market use of this larger crop to early April was about a fifth more than a year earlier, according to AMS shipping point data. Grower prices held at near last year's record high levels, with $12.70 per cwt. recorded for March.

Canners' stocks are near normal levels with 4.3 million cases reported in canners' hands last January 1. Wholesale prices currently are about $1.00 to $2.00 per case higher than a year earlier. Syrup-packed 24/303's were $11.50 in March 1979 compared with $10.50 a year earlier; the 24/2½'s were $16.25 compared with $14.50. Cartons of 6/10's in April 1979 were $14.75 compared with $13.75 a year earlier. A trade source, however, reports that allowances from list running as much as 50 to 72 cents per case are being made by some canners.

The July-December 1978 pack of sweets came to 9.4 million cases of 24/303's, 31 percent larger than 1977. With larger supplies available than last year, prices will probably ease from these current levels by summer.

After that, prices will begin responding to the expected size of the 1979 crop in the important canning areas of North Carolina and Louisiana.

Prospective Plantings Slightly Less

The April Plantings Intentions Report noted that sweet potato growers would be planting 123,600 acres to this crop in 1979. This would be only 1 percent less than a year earlier. It does not necessarily follow that the 1979 crop would be only

1 percent less than in 1978. That year was marked by high yields and less abandonment than usual. In North Carolina, the leading producer, there is no change in planting intentions—38,000 acres this year—and only a 1,000-acre cut is expected in Louisiana, the No. 2 producer. Elsewhere, there are no great differences.

MUSHROOMS

At Kennett Square, Pennsylvania, grower prices for mushrooms moving to fresh market outlets have been holding steady at 70 cents per pound since mid-January. This represents slight improvement from the beginning of the season, but it compares with 72-74 cents a year earlier. Although there are no fresh shipping data, trade observers note an increased fresh production volume this season, and keen competition for market shares in the New York City area.

Canned Mushroom Imports
(July to March 1 following year)

Country	1977/78	1978/79
	Million pounds	
Taiwan	34.6	26.7
South Korea	13.2	15.8
Others	5.9	9.7
Total imports	53.7	52.2

Processing mushroom prices to growers in Pennsylvania are also below a year earlier. The current quote of 64 cents per pound for clean-cut bulk compares with 68-70 cents in April 1978. Domestic canners packed 7 percent fewer canned mushrooms in the last quarter of 1978 according to a recent International Trade Commission report. This was in response to relatively large carryin stocks on October 1. Despite the reduced canning activity, total sales of domestically canned mushrooms were 5 percent more than a year earlier for the first quarter of 1978. However, sharply reduced imports from Taiwan in the same period resulted in total apparent consumption of canned mushrooms about 4 percent less for that time period. These data exclude canned mushroom soup. Wholesale prices for domestic canned packs have been generally steady to slightly weaker in recent months, with greatest changes in food service packs of stems and pieces.

Total U.S. mushroom production for the 1978-79 season (July-July) probably will again be record large. Even though a large western Pennsylvania producer has been shut down due to a labor dispute, it has not affected this season's supply picture to any great extent.

In recent months, mushroom market information sources have expanded. First, the International Trade Commission now publishes quarterly reports of domestic and imported canned mushroom movement. This series is available by writing to the Office of the Secretary of that agency in Washington, D.C. 20436. In addition, the *Mushroom Market News*, the weekly producer price report from the Fruit and Vegetable Division, Pennsylvania Department of Agriculture, 2301 North Cameron Street, Harrisburg, Pennsylvania 17120, will now be issued on a year-round basis. Heretofore, this report was seasonal, running from late October through May.

DRY BEANS

Dry bean growers expect to plant a total of 1.4 million acres, or 10 percent less than last year, and 1 percent less than in 1977. Reductions in acreage are expected in most major States, reflecting unfavorable prices received by growers in 1978.

Table 6—Beans, dry edible: Prospective plantings for 1979 season, with comparisons

Group of States	Acreage planted			
	1977	1978	Indicated 1979[2]	1979 as percentage of 1978
	1,000 acres			*Percent*
New York	42.0	45.0	42.0	93
Michigan	550.0	570.0	500.0	88
Nebraska, Montana, Idaho, Wyoming, and	304.7	345.4	310.6	90
Minnesota and North Dakota	148.0	162.0	148.0	91
Kansas, Colorado, and Utan	193.0	211.5	206.0	97
California	169.0	210.0	190.0	90
Other States[3]	6.0	---	---	---
United States	1,412.7	1,543.9	1,396.6	90

[1] Excludes beans grown for garden seed. [2] Indications as of April 1. [3] Illinois and Indiana discontinued in 1978.

Prospective Plantings, ESCS, USDA.

If 1979 yields are near the 5-year average, the 12 percent smaller acreage in Michigan (the leading producer) would bring forth a crop 15 percent smaller than in 1978. Overall, if 5-year average yields should be applied to planned acreage, the U.S. production would turn out to be 17.6 million cwt., down about 8 percent from last year's 19.1 million cwt. Such a reduction would likely mean substantially improved average prices for 1979/80.

Demand for beans has been fairly good for most of the important classes. Domestic use has been fair to good, while export demand so far this season has been substantially better than the moderate performance of a year earlier. Total exports for the season September 1, 1978 through February 1 were 2.59 million cwt. compared with 1.62 million cwt. a year earlier.

Dealer prices for navy beans have been moving steadily upward since the end of January, reaching nearly $18.00 per cwt. in early April. This compares with nearly $25.00 per cwt. a year earlier, but the current crop was about a fifth larger than the year before. Great Northerns are competitively priced at $25.50 per cwt. compared with $22.75 per cwt. a year earlier despite a larger supply this year. With nearly a fourth larger supply of pinto beans than a year earlier, prices have fluctuated around $20.00 per cwt. since the end of January.

With smaller supplies available this season, blackeye peas were $27.25 per cwt. compared with $22.75 a year ago. Baby limas at $22.25 per cwt. in early April were running about $3.00 per cwt. more than a year earlier, while large lima's, at $37.75 per cwt., were well above the $29.50 per cwt. of a year earlier.

DRY PEAS AND LENTILS

Prices to growers of dry edible peas have been trending downward since January, while prices of lentils have eased from the mid-February high point of $29.90 per cwt. f.o.b. down to $27.10 in early April. Production of dry edible peas at 3.6 million cwt. in 1978 was the highest since 1972, while production of lentils at 1.3 million cwt. was a record high.

Peas, dry field: prospective plantings for 1979 season [1] [2]

State	Acreage planted		
	1978	1979[3]	1979 as percentage of 1978
	1,000 acres		*Percent*
Idaho	83	65	78
Washington	121	103	85
U.S.	204	168	82

[1] In principal commercial producing States. [2] Excludes both Wrinkled Seed Peas and Austrian Winter Peas. [3] Indications as of April 1.

Despite a relatively large crop of dry edible peas, the Northwest Pea Growers and Dealers Association estimates that the domestic movement through February has been down 2.4 percent to 435,680 cwt. from a year earlier. The domestic movement of lentils, however, is up 59 percent for the same period.

With a greatly increased total supply in 1978/79 and much lower prices, dry pea export volume (excluding seed) of 822,275 cwt. was nearly one and one-half times larger than a year earlier. Lentil trade at 686,497 cwt. was nearly 12 times larger. Foreign buyers include the usual ones—United Kingdom, Venezuela, and Japan—with the Netherlands as a new volume buyer of Austrian winter peas. The Federal Republic of Germany, Spain, Italy, and Algeria have purchased large quantities of lentils out of the current supply.

Despite heavy sales, prices have remained at about two-fifths of last year's unusually high levels. The Crop Reporting Board's grower price for peas in March averaged $7.69 per cwt. F.o.b. warehouse pea prices are in the $7 to $9 range, while lentil prices close to $27.00 are running about $1 lower than a year earlier.

Growers of peas plan to raise 168,000 acres or 17 percent less than in 1978, with decreases of 22 percent in Idaho and 15 percent in Washington.

Table 7—Vegetables, fresh: Representative prices (wholesale lots) at New York and Chicago for stock of generally good quality and condition (U.S. No. 1 when available) indicated periods, 1978 and 1979

Market and commodity	State of origin	Unit	Tuesday nearest mid-month					
			1978		1979			
			Mar. 14	Apr. 11	Jan. 16	Feb. 13	Mar. 13	Apr. 10
			Dollars					
New York								
Beans, snap, green	Florida	Bu. hamper and crt.	---	13.00	11.00	15.00	13.50	8.50
Beets, bunched	Texas	1-2/5 bu. crt. 2 doz.	---	---	---	---	---	---
Broccoli, bunched	California	14's bu., ctn.	7.75	9.00	8.25	14.00	8.75	9.00
Cabbage, Domestic Round type	Florida	1-3/4 bu. crt.	7.50	6.25	6.25	13.00	13.50	14.00
Carrots:								
Topped, washed	California	48-1 lb. film bag, ctn.	7.75	6.75	14.50	12.00	8.50	8.75
Topped, washed	Texas	48-1 lb. film bag, mesh master	---	---	---	---	---	---
Cauliflower	California	Ctn. film wrpd., 12's	12.50	14.00	12.50	14.00	13.00	12.00
Celery:								
Pascal	California	Crt. 2-3 doz.	11.50	12.50	15.00	15.00	10.00	7.50
Pascal	Florida	Crt. 2-3 doz.	9.50	9.50	---	---	---	---
Corn, sweet (yellow)	Florida	4-1/2-5 doz. crt.	8.00	8.75	6.75	10.50	8.00	---
Cucumbers	Florida	Bu. bskt.	---	---	---	---	---	---
Lettuce, Iceberg	California	2 doz. ctn.	6.50	11.50	15.00	12.50	8.25	7.50
Onions:								
Yellow, Globe, medium	New York	50-lb. sack	3.50	4.75	3.87	4.13	3.75	3.25
Yellow, Granex, large	Texas	50-lb. sack	---	---	---	---	---	---
Peppers, green	Florida	Bu. crt., large	7.50	19.00	7.25	10.50	12.50	18.00
Spinach, Savoy	Texas	Bu. bskt.	7.00	9.50	---	---	---	---
Tomatoes, large	Florida	30-lb. ctn.	11.50	20.00	13.50	15.00	13.50	18.50
Chicago:								
Beans, snap, green	Florida	Bu. hamper and crt.	19.50	14.00	15.00	16.25	14.25	11.00
Beets, bunched	Texas	Crt., 24's	7.25	7.25	---	---	---	---
Broccoli	California	14's bu., crt.	7.25	---	7.75	13.00	7.25	9.00
Cabbage, Domestic Round type	Texas	1-3/4 bu. crt.	8.15	5.75	6.25	---	13.75	11.87
Carrots:								
Topped, washed	Texas	48-1 lb. film bag, mesh master	6.00	5.70	---	---	---	---
Cauliflower	California	Ctn. film wrpd. 12's	15.00	12.50	11.00	12.50	10.25	13.00
Celery:								
Pascal	California	Crt. 2-3 doz.	12.00	11.85	13.50	13.50	10.00	8.00
Pascal	Florida	Crt. 2-4 doz.	11.35	10.75	---	12.00	---	---
Corn, sweet (yellow)	Florida	4-1/2-5 doz. crt.	8.00	---	---	9.25	8.00	8.50
Lettuce, Iceberg type	Arizona	2 doz. head ctn.	5.75	11.50	---	---	---	---
Onions:								
Yellow, Granex, med.	Texas	50 lb. sack	---	8.75	---	---	---	---
Yellow, Globe, med.	Midwestern	50 lb. sack	---	---	---	---	---	---
Peppers, green	Florida	Bu. ctn. and crt.	---	20.00	9.50	10.75	---	19.50
Tomatoes, large	Florida	30 lb. ctn.	8.00	---	14.00	13.00	11.50	18.75

Weekly summary of terminal market prices, Market News Report, AMS, USDA.

Table 8—Vegetables, fresh: Average f.o.b. shipping point prices, per hundredweight, United States, indicated periods, 1978 and 1979

Commodity	1978		1979		
	February	March	January	February	March 1-15
			Dollars		
Asparagus	33.00	53.40	---	123.00	49.10
Beans, snap	37.50	25.80	28.50	33.10	31.70
Cabbage	9.57	8.90	7.90	15.00	21.70
Carrots	9.76	7.37	12.80	12.90	12.20
Celery	8.68	11.60	11.30	11.50	9.39
Corn, sweet	15.00	12.30	12.30	15.30	13.30
Cucumbers	---	---	13.80	---	---
Lettuce	9.45	9.92	19.50	20.90	13.60
Onions	4.76	7.79	11.00	12.20	10.30
Peppers, green	23.40	27.80	23.60	27.70	26.60
Tomatoes	20.40	21.80	21.80	21.50	19.20

Agricultural Prices, ESCS, USDA, issued monthly.

Table 9—Vegetables, commercial for fresh market: Index numbers (unadjusted) of prices received by farmers, United States by months, 1963 to date[1]

(1967=100)

Period	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
1963	102	95	82	83	78	88	85	65	62	70	91	94	83
1964	100	103	98	89	83	90	80	76	76	78	101	87	88
1965	78	83	97	107	127	103	84	77	78	87	89	87	91
1966	110	115	101	108	94	99	115	102	91	92	101	95	102
1967	100	94	96	110	104	128	109	84	80	88	101	104	100
1968	119	117	125	129	105	98	92	86	92	91	113	118	107
1969	104	109	113	110	118	97	97	94	90	111	151	130	110
1970	130	123	123	109	121	110	101	96	111	95	102	95	110
1971	111	116	149	135	126	127	119	101	99	121	172	138	126
1972	155	131	115	134	122	123	116	125	129	112	147	139	129
1973	155	154	170	200	190	190	179	131	125	122	127	129	156
1974	136	162	131	151	170	171	151	140	140	163	167	146	152
1975	169	169	166	177	169	204	178	157	159	159	174	189	173
1976	195	178	180	186	132	155	169	160	177	190	186	171	173
1977	237	253	263	219	182	150	169	160	166	180	212	175	197
1978	207	201	209	296	247	251	220	172	179	172	180	213	212
1979[2]	265	299	255										

[1] All prices reported on f.o.b. basis. [2] Preliminary.

Table-10—Fresh Vegetables: Retail price, marketing margin, and grower and packer return per unit, sold in New York City, indicated months, 1978 and 1979

Commodity, month, and retail unit	Retail price[1]	Marketing margin		Grower and packer return (Fob shipping point prices[2] [3]	
		Absolute	Percentage of retail price	Absolute	Percentage of retail price
	Cents	*Cents*	*Percent*	*Cents*	*Percent*
Carrots (Pound)					
Jan. 1979	34.0	22.3	66	11.7	34
Dec. 1978	32.0	21.3	67	10.7	33
Jan. 1978	32.9	21.9	67	11.0	33
Celery (Pound)					
Jan. 1979	37.3	26.8	72	10.5	28
Dec. 1978	34.9	24.1	69	10.8	31
Jan. 1978	37.3	26.8	72	10.5	28
Cucumbers (Pound)					
Jan. 1979	40.9	23.1	56	17.8	44
Dec. 1978	42.5	34.5	81	8.0	19
Jan. 1978	39.0	25.7	66	13.3	34
Lettuce (Head)					
Jan. 1979	79.0	32.0	41	47.0	59
Dec. 1978	64.0	46.5	73	17.5	27
Jan. 1978	59.0	41.6	71	17.4	29
Onions, dry yellow (Pound)					
Jan. 1979	29.0	23.4	81	5.6	19
Dec. 1978	31.0	25.4	82	5.6	18
Jan. 1978	23.8	15.4	71	6.4	29
Potatoes, round white (Pound)					
Jan. 1979	15.8	11.2	71	4.6	29
Dec. 1978	15.8	13.5	85	2.3	15
Jan. 1978	14.1	10.1	72	4.0	28
Potatoes, Russet (Pound)					
Jan. 1979	22.8	17.5	77	5.3	23
Dec. 1978	22.8	17.5	77	5.3	23
Jan. 1978	20.5	15.2	74	5.3	24
Spinach (10-oz. Pkg.)					
Jan. 1979	89.0	65.3	73	23.7	27
Dec. 1978	83.0	62.7	76	20.3	24
Jan. 1978	72.8	59.3	81	13.5	19
Sweet Potatoes, (Pound)					
Jan. 1979	29.5	15.1	51	14.4	49
Dec. 1978	31.0	16.6	54	14.4	46
Jan. 1978	33.2	14.4	43	18.8	57

[1] Retail price Jan. 1978 BLS, all other States of New York Department of Agriculture and Markets. [2] For quantity of product equivalent to retail unit sold to consumers: Because of waste and spoilage during marketing, equivalent quantity exceeds retail unit. [3] Production areas: Carrots-California, Celery-California, Cucumbers-Florida, Lettuce-California, Onions-New York, Potatoes, Round White-New York, Potatoes, Russet-Idaho, Spinach-Texas, Sweet Potatoes, North Carolina.

Table 11—Canned vegetables: Commercial packs 1977 and 1978 and canners' and wholesale distributors' stocks 1978 and 1979, United States

Commodity	Pack		Stocks					
			Canners			Wholesale distributors		
	1977	1978	Date	1978	1979	Date	1978	1979
	1,000 cases 24/303's			*1,000 cases 24/303's*			*1,000 cases 24/303's*	
Major commodities								
Beans, snap	54,494	57,121	Mar. 1	20,103	19,438	Jan. 1	4,152	4,392
Beets	11,348	12,834	Jan. 1	7,242	7,874	Jan. 1	1,103	1,194
Corn, sweet	56,300	57,907	Mar. 1	26,002	27,247	Jan. 1	4,088	4,486
Peas, green	30,238	25,269	Mar. 1	12,232	6,629	Jan. 1	2,994	3,035
Sauerkraut[1]	12,677	11,740	Mar. 1	6,201	6.024	Jan. 1	746	722
Total	165,057	164,871		71,780	67,212		13,083	13,829
Tomatoes and Products[2]								
Tomatoes	54,124	49,241	Jan. 1	37,538	38,619	Jan. 1	4,309	4,438
Tomato juice	27,844	33,920	Jan. 1	21,010	21,087	Jan. 1	2,102	2,174
Total	81,968	83,161		58,548	59,706		6,411	6,612
Other commodities								
Asparagus	3,705	3,382	Mar. 1	615	919	Jan. 1	537	447
Beans, lima	2,657	3,356	Mar. 1	1,143	1,645	Jan. 1	381	436
Carrots	5,973	6,609	Jan. 1	3,301	4,037	Jan. 1	709	746
Okra[3]	485	N.A.						
Pickles[1]	69,871	76,776						
Pimientos	407	N.A.						
Pumpkin and squash	2,962	4,641	Jan. 1	1,866	1,140	Jan. 1	554	474
Potatoes	14,679	18,516						
Sweetpotatoes	7,960	7,194	Jan. 1	3,006	4,266			
Spinach	7,108	6,214	Mar. 1	2,249	1,362	Jan. 1	611	562
Other greens	2,632	N.A.						
Field peas	2,223	N.A.						
Total comparable other items	114,915	126,688		12,180	13,369		2,792	2,665
Grand total comparable items	361,940	374,720		142,508	140,287		22,244	23,106

[1] Crop for processing converted to a canned basis by applying an overall conversion factor (pickles 112 and sauerkraut 54 cases equivalent to 1 ton fresh). [2] Pack and stocks data not complete for catsup, paste, sauce and puree. [3] Okra, okra and tomatoes, and okra, corn and tomatoes, N.A. - not available.

Canners' stock and pack data from the National Food Processors Association, unless otherwise noted. Wholesale distributors, stock from United States Department of Commerce, Bureau of the Census.

Table 12– Vegetables, frozen: Cold storage holdings and indicated disappearance, January 1 to April 1

Commodity	April 1 stocks			January 1-April 1 net change		
	1977	1978	1979[1]	1977	1978	1979[1]
	Million pounds					
Asparagus	3	4	2	-5	-6	-3
Beans, lima:						
Fordhook	16	17	16	-7	-6	-8
Baby	36	50	56	-19	-22	-24
Total	52	67	72	-26	-28	-32
Beans, snap:						
Regular	38	46	63	-45	-38	-45
French style	18	26	32	-22	-20	-24
Total	56	72	96	-67	-58	-70
Broccoli:						
Spears	16	45	33	-12	-9	-14
Chopped and cuts	19	53	35	-5	-2	-12
Total	35	98	69	-17	-11	-26
Brussels sprouts	20	30	33	-17	-8	-16
Carrots						
Diced	44	77	53	-32	-29	-40
Other	24	45	55	-11	-4	-15
Total	68	122	109	-43	-33	-55
Cauliflower	20	38	62	-27	-13	-25
Corn, sweet:						
Cut	150	149	144	-108	-73	-97
On-cob	93	134	167	-50	-67	-73
Total	243	283	312	-158	-140	-170
Mixed Vegetables	30	32	41	-3	-4	4
Okra	8	22	29	-15	-12	-18
Onions:						
Rings	10	12	10	-2	2	([3])
Other frozen	11	14	13	-4	-2	-2
Total	21	26	23	-6	([3])	-2
Peas, blackeyed	6	12	9	-5	-4	-5
Peas, green	118	126	111	-112	-100	-117
Peas and carrots	10	11	11	-2	(3)	-2
Spinach	49	55	36	-6	-4	-3
Southern greens	17	32	22	-12	-2	-16
Other vegetables	136	154	168	-38	-36	-42
Total vegetables[2]	893	1,186	1,202	-559	-460	-598
Potatoes:						
French fried	766	818	693	117	99	28
Other frozen	104	106	116	3	-5	3
Total frozen potatoes	870	923	809	120	94	31
Grand total[2]	1,764	2,109	2,011	-439	-366	-567

[1] Preliminary. [2] May not add to total due to rounding. [3] Less than .50.

Cold storage, ESCS, USDA, issued monthly.

Table 13—Potatoes, winter and spring: Acreage, yield per acre and production, 1977, 1978, and 1979

Seasonal group and State	Acreage			Yield per acre			Production		
	Harvested		For harvested 1979[1]	1977	1978	1979[1]	1977	1978	1979[1]
	1977	1978							
	1,000 acres			*Cwt.*			*1,000 cwt.*		
Winter, total	13.4	12.9	13.2	199	203	206	2,660	2,621	2,723
Spring:									
North Carolina	13.4	13.0	13.7	165	150	155	2,211	1,950	2,124
Florida-Hastings	19.5	20.6	20.4	220	170	210	4,290	3,502	4,284
Other	1.7	1.8	1.0	185	125	190	315	225	190
Alabama	10.5	9.5	9.2	120	100	110	1,260	950	1,012
Mississippi[2]	1.3	1.2	---	90	90	---	117	108	---
Louisiana	2.3	2.3	2.1	75	75	70	173	173	147
Texas	5.4	7.5	8.0	165	160	165	891	1,200	1,320
Arizona	6.5	6.0	6.0	270	265	260	1,755	1,590	1,560
California	30.8	29.0	30.0	385	285	380	11,858	8,265	11,400
Total	91.4	90.9	90.4	250	198	244	22,870	17,963	22,037

[1] Indicated. [2] Discontinued after 1978 crop.

Crop Production, ESCS, USDA.

Table 14—Potatoes, summer and fall: Prospective plantings, with comparisons, 1977, 1978, and 1979

Seasonal group	Planted acreage			
	1977	1978	Indicated 1979	1979 as percentage of 1978
	1,000 acres			*Percent*
Winter[1]	13.6	13.0	13.2	102
Spring[2]	92.8	93.4	91.4	98
Summer[3]	118.7	114.9	112.2	98
Fall[3]	1,172.4	1,173.6	1,117.5	95
U.S. total	1,397.5	1,394.9	1,334.3	96

[1] Includes acreage planted in preceding fall. [2] Acreage planted and intended plantings as of April 1. [3] Intended acreage.

Prospective Plantings, ESCS, USDA.

Table 15 —Potatoes: Prices f.o.b. shipping points, at terminal markets, and to growers, per hundredweight, indicated periods, 1978 and 1979

Item	Week ended						
	1978			1979			
	Feb. 11	Mar. 18	Apr. 15	Jan. 13	Feb. 10	Mar. 17	Apr. 14
	Dollars						
F.o.b. shipping points:							
New stock							
Florida, Dade County U.S. No. 1, Size A. Round Reds[1]	---	6.00	8.00	---	---	6.60	7.00
Old stock							
Colorado, San Luis Valley Red McClures[2]	4.50	4.38	3.98	4.63	4.50	4.50	4.50
Idaho, Idaho Falls Russets[3]	5.93	6.00	5.20	---	5.35	4.88	5.00
Maine, Aroostook County U.S. No. 1 Size A. Mostly Katahdin[1 4]	2.72	2.26	3.38	3.82	3.46	3.86	3.50
New York, Upstate Round Whites[1]	3.92	3.86	4.66	5.38	4.62	5.20	5.50
Michigan Round Whites[1]	---	---	---	4.56	4.66	4.56	---
	Tuesday nearest mid-month						
	1978			1979			
	Feb. 14	Mar. 14	Apr. 11	Jan. 16	Feb. 13	Mar. 13	Apr. 10
	Dollars						
Terminal markets:							
New York:							
New stock							
Florida, Round Reds[1 5]	---	10.50	11.50	---	---	---	---
Old stock							
Long Island, various Round Whites[1 5]	5.40	5.00	5.10	6.74	6.24	---	5.40
Maine, Katahdin[1 4 5]	5.10	5.10	5.40	6.74	6.24	6.70	6.30
Idaho, Russets[1 5]	---	6.15	6.15	8.25	8.13	8.00	7.00
Chicago:							
New stock							
Florida, Round Reds[1 5 6]	---	10.00	10.50	---	---	---	---
Old stock							
Idaho, Russets[5 6]	10.75	11.00	10.88	10.88	11.00	10.75	10.75
Minnesota-North Dakota, Round Reds[5 6]	5.87	5.88	6.00	6.25	6.50	6.25	6.25
	Month						
	1978			1979			
	Feb.	Mar.	Apr.	Jan.	Feb.	Mar.	
	Dollars						
U.S. price received by growers	3.20	3.25	3.29	3.13	2.78	3.07	
U.S. average parity price	6.06	6.16	6.23	6.62	6.75	6.89	

[1] 50-pound price doubled. [2] 2-inch up, washed. [3] 4-oz. minimum. [4] 2-inch minimum. [5] U.S. No. 1, Size A. [6] Street sales. F.o.b. prices are the simple averages of the mid-point of the range of daily prices. Terminal market prices are for Tuesday of each week as reported by Market News representatives of the Fruit and Vegetable Division of AMS. N.A.-Not available.

Table 16—Sweetpotatoes: F.o.b. prices at Louisiana and California points and terminal market prices at New York and Chicago for stocks of generally good quality and condition (U.S. No. 1, when available), indicated periods, 1978 and 1979

Location and variety	Unit	Week ended						
		1978			1979			
		Feb. 11	Mar. 18	Apr. 15	Jan. 13	Feb. 10	Mar. 17	Apr. 14
F.o.b. shipping points		*Dollars*						
S.W. Louisiana points								
Porto Rico type, U.S. No. 1, cured	50 pound crate	9.75	10.65	---	7.63	7.63		7.63
California, Porto Porto Rico type, centennial	40 pound carton	9.20	---	---	---	---	---	---
		Tuesday nearest mid-month						
		1978			1979			
		Feb. 14	Mar. 14	Apr. 11	Jan. 16	Feb. 13	Mar. 13	Apr. 10
Terminal markets		*Dollars*						
New York:								
New Jersey, Orange Jersey type	Bushel carton	6.00	---	---	7.00	6.50	---	7.00
North Carolina, Porto Rico type, centennial	carton	---	11.25	11.25	---	---	---	---
Chicago:								
Louisiana, Porto Rico type, cured	50-pound carton	12.00	12.50	13.00	---	10.00	10.00	10.00

F.o.b. prices are simple averages of the mid-point of the range of daily prices. Market prices are for Tuesday of each week as reported by Market News representatives of the Fruit and Vegetable Division of AMS.

Table 17—Sweetpotatoes: Plantings, 1977, 1978, and indicated 1979

Area	Acreage			
	1977	1978	Indicated 1979[1]	1979 as percentage of 1978
	1,000 acres			*Percent*
Central Atlantic[2]	10.0	10.3	10.3	100
Lower Atlantic[3]	42.6	46.9	46.9	100
Central[4]	56.9	58.4	56.7	97
California	7.8	8.5	8.7	102
United States	117.3	124.1	122.6	99

[1] Indicated as of April 1. [2] New Jersey, Maryland and Virginia. [3] North Carolina, South Carolina, and Georgia. [4] Tennessee, Alabama, Mississippi, Arkansas, Louisiana, and Texas.

Propsective Plantings, ESCS, USDA.

Table 18—Average price per hundredweight received by farmers for sweetpotatoes, dry edible beans, and dry field peas, United States, indicated periods, 1978 and 1979

Commodity	1978		1979		
	February 15	March 15	January 15	February 15	March 15
	Dollars				
Sweetpotatoes	13.20	12.90	12.00	11.50	12.70
Beans, dry edible	22.70	20.90	16.50	18.10	17.30
Peas, dry field	13.60	12.50	8.48	8.30	7.69

Agricultural Prices, ESCS, USDA, issued monthly.

COSTS OF PRODUCING WINTER FRESH VEGETABLES IN FLORIDA AND WEST MEXICO

By G. A. Zepp and R. L. Simmons*

ABSTRACT: Florida has made gains in its cost-competitive position relative to West Mexico in tomato and bell pepper production during the last 5 years, while relative costs have not changed very much for cucumbers and eggplant. Production costs in West Mexico were at least as high, or higher, than Florida costs for all four vegetables during the 1978/79 season. Costs are an important aspect in assessing competitive position, but weather and other factors also are important.

KEYWORDS: Fresh vegetables, cost of production, competition, Florida/Mexico competition.

Florida and West Mexico are the principal suppliers of winter fresh vegetables in the U.S. market. California, Texas, and several other supply areas produce late into the fall and again in the spring. South Florida, however, is the sole domestic supplier during the midwinter. In recent years, vegetables imported from West Mexico have become increasingly important, and in some cases—specifically tomatoes, cucumbers, and eggplant—Mexican shipments to the United States have exceeded Florida's. Mexico also has made significant inroads into the U.S. winter market for fresh peppers, squash, and green beans.

Examining changes in volumes supplied by Florida and Mexico is one way to assess the history of competition between the two areas (3). However, future trends in volumes supplied may be different from historical trends.

Future competition between Florida and West Mexico has numerous aspects. Total production and marketing costs, net average prices received by growers, different governmental regulations in the two areas, tariff levels, and others, all contribute to determining net competitive advantage. Total cost for growing, harvesting, and marketing is the aspect most often studied.

The cost-competitive positions of Florida and Mexico were first examined in 1968—the 1968 estimates were updated in 1971 (1). Competition between Florida and Mexico was revisited in 1975 (2) when production and marketing costs were developed for the 1973/74 season. Most recently, costs for producing winter vegetable were estimated for the 1978/79 season (4).

The purpose of this paper is to assemble and compare estimates of the total cost for growing, harvesting, and marketing four important winter fresh vegetables in Florida and West Mexico at four points in time. The vegetables are tomatoes, peppers, cucumbers, and eggplant. The seasons are 1967/68, 1970/71, 1973/74, and 1978/79 (tables 1 and 2). The Florida costs are f.o.b. packinghouse south Florida, and the Mexican costs are f.o.b. Nogales, Arizona, with tariffs and crossing charges paid. The cost-competitive positions of Florida and West Mexico are analyzed by observing the ratio of total cost in West Mexico to total cost in Florida (table 3).

The magnitude of the cost ratio indicates Florida's cost advantage (or disadvantage). A larger ratio indicates a greater cost advantage for Florida than a smaller ratio, and vice versa. Ratios larger than 1.0 indicate that Mexico's costs are greater than Florida's; hence, Florida has the cost advantage. Ratios less than 1.0 indicate that Florida has the higher costs, and Mexico, therefore,

*G. A. Zepp is Agricultural Economist in the Economics, Statistics, and Cooperatives Service stationed at the University of Florida, Gainesville. R. L. Simmons is Professor of Economics and Business, North Carolina State University, Raleigh.

Table 1—Total cost FOB the packinghouse for producing, harvesting, and marketing winter fresh tomatoes, peppers, cucumbers, and eggplant in Florida, 1967/68, 1970/71, 1973/74, and 1978/79

Commodity, cost item	1967/78	1970/71	1973/74	1978/79
	Dollars			
Tomatoes (30 lb. carton)				
Mature green, on stakes (winter crop)				
Preharvest			2.65	2.49
Harvest, pack, sell			2.35	2.74
Total			5.00	5.59
Mature green, ground (winter crop)				
Preharvest	.94	1.05	2.59	2.82
Harvest, pack, sell	1.02	1.40	2.20	2.92
Total	1.96	2.45	4.79	5.72
Mature green, on stakes (spring crop)				
Preharvest				2.26
Harvest, pack, sell				2.68
Total				4.94
Bell peppers (bushel)				
Preharvest	.95	1.01	2.16	2.98
Harvest, pack, sell	1.69	2.11	2.21	2.83
Total	2.64	3.12	4.37	5.81
Cucumbers (bushel)				
Preharvest	.82	.89	2.68	3.53
Harvest, pack, sell	1.99	2.48	2.66	3.38
Total	2.81	3.37	5.34	6.91
Eggplant (bushel)				
Preharvest	.77	.80	1.87	2.76
Harvest, pack, sell	1.18	1.58	1.33	1.84
Total	1.95	2.38	3.20	4.60

Source: (1, 2, and 4)

Table 2—Total costs, FOB Nogales, Arizona for growing, harvesting, and marketing winter fresh tomatoes, peppers, cucumbers, and eggplant in West Mexico, 1967/68, 1970/71, 1973/74, and 1978/79 seasons

Commodity, cost item	1967/78	1970/71	1973/74	1978/79
	Dollars			
Vine-ripe tomatoes (30-lb. equivalents)				
Preharvest	0.46	0.48	0.94	1.25
Harvest, pack, sell	0.93	0.99	1.74	2.54
Export costs[1]	1.53	1.56	1.84	1.96
Total	2.92	3.03	4.52	5.75
Bell peppers (bushel)				
Preharvest	1.30	0.74	0.94	1.79
Harvest, pack, sell	1.19	1.22	1.45	2.10
Export costs[1]	1.79	1.80	1.62	2.61
Total	4.28	3.76	4.01	6.50
Cucumbers (bushel)				
Preharvest	1.06	0.87	1.58	1.99
Harvest, pack, sell	1.28	1.30	1.67	2.08
Export costs[1]	2.67	2.70	2.87	3.30
Total	5.01	4.87	6.12	7.37
Eggplant (bushel)				
Preharvest	0.31	0.33	0.72	1.23
Harvest, plant, sell	0.96	0.98	1.10	1.67
Export costs[4]	1.03	1.07	1.58	1.95
Total	2.30	2.38	3.40	4.85

[1] Includes costs of transport from Sinaloa to Nogales, Arizona, and export fees to Nogales.

Source: (1, 2, and 4)

Table 3—Ratio of West Mexico costs to Florida costs for producing winter fresh tomatoes, peppers, cucumbers, and eggplant, 1967/68, 1970/71, 1973/74, and 1978/79

Commodity	1967/78	1970/71	1973/74	1978/79
Tomatoes				
Stake (winter)	---	---	.904	1.029
Ground (winter)	1.490	1.237	.944	1.005
Staked (spring)	---	---	---	1.164
Peppers	1.620	1.205	.918	1.120
Cucumbers	1.783	1.445	1.146	1.067
Eggplant	1.179	1.000	1.062	1.054

Source: Calculated as (West Mexico costs) ÷ (Florida costs), from Tables 1 and 2.

has the cost advantage. A ratio equal to 1.0 indicates costs are the same in Florida and Mexico.

Changes in cost advantage are determined by observing changes in cost ratios. An increasing ratio from one season to another indicates that Florida's costs have risen slower than Mexico's. Florida's costs, therefore, would have declined relative to costs in Mexico, and Florida's cost advantage (disadvantage) would have increased (decreased) between the two seasons.

Consider, for example, the 1973/74 season costs for Mexican vine-ripe tomatoes ($4.52) and the Florida costs for mature green staked tomatoes ($5.00). The ratio, 4.52÷5.00=.904, indicates Mexico had a cost advantage at the f.o.b. level in 1973/74. However, by the 1978/79 season, the ratio was 5.75÷5.59=1.029. The higher ratio in the latter season indicates that, over the five seasons, Florida's cost per unit of sales increased at a slower rate than costs in Mexico.

Tomatoes

Three tomato costs were reported for Florida during 1973/74: (1) winter crop staked tomato costs represent those for southwest Florida which accounts for a large share of the midwinter production; (2) spring crop staked tomato costs represent production from the Palmetto-Ruskin area and account for most of Florida's tomato shipments during May and early June; and (3) mature green ground tomato costs for Dade County production are representative of an important share of Florida tomatoes marketed from January through mid-April.

Costs for West Mexico are an average for the entire winter season. Only vine-ripe tomato costs were available for Mexico during the 1978/79 season. Therefore, the cost comparisons are between Florida mature green tomatoes and Mexico vine-ripe tomatoes.

Total costs increased in both Florida and Mexico between 1973/74 and 1978/79, but the increase was larger in Mexico. Higher yields, due in part to widespread adoption of full-bed plastic mulch, appear to have moderated cost increases in Florida. Preharvest costs per box for Florida winter staked tomato production increased only 20 cents over the five seasons. The preharvest cost increase for Florida ground tomatoes was also small, tending to moderate the rise in total cost.

Florida apparently improved its cost-competitive position in tomato production between 1973/74 and 1978/79. During the former season, Mexico held a cost advantage over Florida in tomato production—the Mexican costs were about 90.4 percent of the Florida staked tomato costs and 94.4 percent of Florida's ground tomato costs. By 1978/79, the Mexican costs had increased to a level about 2.9 percent over Florida's winter crop staked tomato costs; ground tomato production costs were about the same.

Florida appears to have a cost advantage over Mexico in the spring when production from the Palmetto-Ruskin area is being marketed. The ratio of Mexican costs to spring tomato production costs was 1.164, indicating that Florida had a 16.4-percent cost advantage. Since costs are nearly the same in Mexico and Florida during the midwinter period when the south Florida areas are the large volume shippers, neither Florida nor West Mexico appear to have a clear-cut advantage.

Bell Peppers

At the present time, Florida appears to have a cost advantage in bell pepper production—costs were $5.72 per bushel in Florida versus $6.50 in Mexico. Total costs showed substantial increases from 1973/74 to 1978/79 in both Florida and Mexico, but registered a greater increase in Mexico than in Florida—62 percent in Mexico versus 33 percent in Florida.

Florida appears to have improved its cost-competitive position between 1973/74 and 1978/79. From an 8-percent cost advantage in 1973/74, Mexico's pepper costs increased to where Florida had a 12-percent advantage in 1978/79. In spite of the cost increases over the past 5 years, Mexico still has a smaller cost disadvantage than it did during the 1967/68 season.

Cucumbers

Florida continues to maintain a cost advantage relative to Mexico in cucumber production during 1978/79, albeit smaller than in previous seasons. Florida's costs, rising faster than Mexico's, increased from $5.34 per bushel in 1973/74 to $6.91 in 1978/79, a 29-percent rise. The cost increase in Mexico was about 19 percent, from $6.12 to $7.29 per bushel.

Changes in the cost ratios since the 1967/68 season indicate that over the 11 years, Florida's cucumber cost advantage has largely disappeared. From an estimated 78-percent cost advantage in 1967/68, the relative costs had changed to where Florida held a 15-percent advantage in 1973/74, and only a 5-percent advantage in 1978/79.

Factors other than costs are probably the overriding consideration in determining competitive advantage in cucumbers. Most of West Mexico's shipments to the United States occur during midwinter when Mexico has a climatic advantage over Florida for growing cucumbers. Florida's heavy-shipment months are November and December, and April and May.

Eggplant

FLorida maintained an absolute cost advantage in 1978/79 over West Mexico in eggplant production costs. From 20 cents per bushel in 1973/74, the Florida advantage increased to 25 cents in 1978/79.

In relative terms, however, Mexico realized a slight gain over Florida in its cost-competitive position. Whereas Florida's costs increased about 43 percent between 1973/74 and 1978/79, Mexico's costs increased by about 42 percent. The cost ratios indicate Mexico's costs changed from being 6.2 percent higher than Florida's costs in 1973/74, to being 5.4 percent higher in 1978/79.

Conclusions

Florida seems to have made gains in its cost-competitive position in tomato and bell pepper production during the last 5 years. In cucumbers and eggplant, relative costs have changed little since 1973/74.

Florida's greatest cost advantage in tomato production is during the late spring. Tomato production costs appear to be nearly the same during the midwinter in Florida and West Mexico. Higher yields, resulting from the use of full-bed plastic mulch, appear to be the explanation for much of Florida's gains.

Although Florida made gains in its cost-competition position in peppers since 1973/74, its cost advantage is relatively less than during the 1967/68 and 1970/71 seasons.

In cucumbers and eggplant, Florida maintained a small absolute cost advantage. West Mexico, however, has made relative gains in its cost-competitive position for the two vegetables since 1973/74, due to costs increasing faster in Florida than in Mexico.

Costs are an important aspect in assessing competitive position, but weather, market prices, and other factors also must be considered.

References

(1) Fliginger, C. John, et. al. *Supplying U.S. Markets With Fresh Winter Produce: Capabilities of U.S. and Mexican Production Areas*, U.S. Dept. Agr., Agr. Econ. Rept. No. 154, March 1969. (Suppl. dated Sept. 1971).

(2) Simmons, Richard L., et. al. *Mexican Competition for the U.S. Fresh Winter Vegetable Market.* U.S. Dept Agr., Agr. Econ. Rept. No. 348, Aug. 1976.

(3) Smith, Ernest B. "Florida's and Mexico's Shares of the U.S. Fresh Winter Vegetable Market," *Vegetable Situation*, Feb. 1976. ERS, USDA, TVS-199.

(4) Zepp, G.A. and R.L. Simmons. *Competition in Supplying Winter Fresh Vegetables to U.S. Markets.* Manuscript in review for publication as an ESCS Agricultural Economic Report.

LIST OF TABLES

Table	Title	Page
1	Vegetables and melons for fresh market: Reported commercial acreage and projected production of principal crops, selected seasons, 1978 and indicated 1979	4
2	Major sources of U.S. winter tomato supplies	6
3	Vegetables for commercial processing: Prospective plantings	9
4	Potatoes, fall: Prospective plantings	13
5	Pack of frozen potato products	14
6	Beans, dry edible: Prospective plantings for 1979 season, with comparisons	15
7	Vegetables, fresh: Representative prices (wholesale lots) at New York and Chicago for stock of generally good quality and condition (U.S. No. 1 when available) indicated periods, 1978 and 1979	17
8	Vegetables, fresh: Average f.o.b. shipping point prices, per hundredweight, United States, indicated periods, 1978 and 1979	18
9	Vegetables, commercial for fresh market: Index numbers (unadjusted) or prices received by farmers, United States by months, 1963 to date	18
10	Fresh Vegetables: Retail price, marketing margin, and grower and packer return per unit, sold in New York City, indicated months, 1978 and 1979	19
11	Canned vegetables: Commercial packs 1977 and 1978 and canners' and wholesale distributors' stocks 1978 and 1979, United States	20
12	Vegetables frozen: Cold storage holdings and indicated disappearance, January 1 to April 1	21
13	Potatoes, winter and spring: Acreage, yield per acre and production, 1977, 1978, and 1979	22
14	Potatoes, summer and fall: Prospective plantings, with comparisons, 1977, 1978, and 1979	22
15	Potatoes: Prices f.o.b. shipping points, at terminal markets, and to growers, per hundredweight, indicated periods, 1978 and 1979	23
16	Sweetpotatoes: F.o.b. prices at Louisiana and California points and terminal market prices at New York and Chicago for stocks of generally good quality and condition (U.S. No. 1, when available), indicated periods, 1978 and 1979	24
17	Sweetpotatoes: Plantings, 1977, 1978, and indicated 1979	24
18	Average price per hundredweight received by farmers for sweetpotatoes, dry edible beans, and dry field peas, United States, indicated periods, 1978 and 1979	24

*U.S. GOVERNMENT PRINTING OFFICE : 1979 O-280-934/ESCS-104

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

To stop mailing ☐ or to change your address ☐ send this sheet with label intact, showing new address, to Information, Staff, ESCS, U.S. Dept. of Agriculture, Rm. 0054 South Building, 14th & Independence Ave. S.W., Wash., D.C. 20250.

TVS-212 MAY 1979

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
AGR 101
FIRST CLASS

U.S. MAIL

U.S. DEPT. OF AGRICULTURE
NAT'L AGRIC. LIBRARY
MAY 23 '79
CURRENT SERIAL RECORDS